A Research Measures The Results' Tendency of Sharing in Social Media That Created by Service Recovery Strategies Implemented on Banks

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Extensive Summary

1.Introduction

Service failure is not desirable in any sector, but it is possible to encounter service failure even in the most perfectly managed businesses (Sing and Widing, 1991). Because service sector whose basic input is human includes labor intensity. In particular, the labor-intensive service sector is the main source of human being, creating the ground for error. Even good service providers can sometimes experience problems during service delivery. Such mistakes cause performance to fall below customer expectations, which can be referred to as service failure (Smith and Bolton, 2002). The inevitability of service mistakes reveals the concept of service recovery in order to minimize the negative consequences of these mistakes. Because the service management requires careful integration of a number of systems and processes in order to produce results with recovery ways (Bell and Zemke, 1987). In this point, businesses need to adopt and implement a comprehensive and systematic recovery management business in order to prevent the negative consequences of the mistake. Because today " experience " for consumers who buy businesses and services gives direction to life as an important concept. Past experiences can influence the future potential purchases of the consumer, as well as the shaping of current and future experiences of other consumers. Particularly through social media, sharing experiences can be made easier and reaching large masses. This causes existing and potential customers to be affected positively or negatively from these shares. In this study, the customer reaction against the the mistakes are examined in the banking sector. The aim is to reveal the relationship between the perceived quality of the remedies and the behaviors of trust, satisfaction, loyalty and separation and measure the tendency of compensatory customers to share in the social media.

In general, when studies on the past are examined, it is seen that research topics about expectations from service recovery (McCollough, Berry and Yadav, 2000; Lewis and Spyrakopoulos; 2001; Bhandari, Tsarenko and Polonsky, 2007; Seawright, DeTienne, Bernhisen and Larson, 2008), perceived quality of recovery (Levesque and McDougall, 2000; Miller, Craighead and Karwan, 2000; Lewis ve Spyrakopoulos, 2001; Seawright etc., 2008; Yaya, Marimon and Casadesus, 2013), and recovery with satisfaction (Sangeetha and Mahalingam, 2011; Yaya etc., 2013), or recovery with loyalty (Seawright etc., 2008; Marimon, Yaya and Fa, 2012; Yaya etc, 2013; Wang, Hsu and Chih 2014) have done. However, the lack of research about service recovery strategies and expectations of service recovery on the effects of recovery's perception has been the starting point of this research. In addition, analyzing the thoughts, attitudes and behavioral outcomes of the customer's viewpoint after recovery has also developed an important point of view in order to reveal the success of recovery. No studies in literature that includes all possible outcomes and the tendency to share these results in the social media has made this research unique.

2.Methodology

The research is a descriptive and quantitative research which aims to reveal the results of the compensation strategies applied after the mistake and to show the tendency of sharing these results in the social media. The questionnaire was used as the data collection method and applied to 395 people. Banking sector was chosen as the application area. In the study, easy sampling method was used. The scale of expectations from service compensation is taken Hess Jr. et al. (2003). The scale of recovery strategies is taken from Boshoff (2005). The scale of perceived quality of service recovery's is taken from Carr (2007). The scale of satisfaction after recovery is taken from Smith et al. (1999) and confidence-based scale is taken from Crosby et al. (1990). The scale of loyalty is taken from Zeithaml et al. (1996).

The research hypothesis of the study are as follows:

H_1: The relationship between ''service recovery strategies'' applied after the service failure in the banking sector and ''perceived quality of recovery'' is meaningful.

H_2: The relationship between ''expectation of service recovery'' of customers' exposed to service failure and ''perceived quality of recovery'' is meaningful.

H_3: The relationship between ''perceived quality of recovery'' and '' trust'' is meaningful.

H_4: The relationship between ''perceived quality of recovery'' and ''satisfaction'' is meaningful.

H_5: The relationship between ''perceived quality of recovery'' and ''loyalty'' is meaningful.

H_6: The relationship between ''perceived quality of recovery'' and ''customer's leaving'' from the bank is meaningful.

H_7: Customer responses regarding the perceived quality of recovery such as ''trust, satisfaction/dissatisfaction, loyalty, leaving'' lead to ''social media sharing''.

3.Findings

In this study, Structural Equation Model (SEM) was used to reveal the causal relationships between variables. Firstly, The Explanatory Factor Analysis (EFA) was t applied to make the data ready for the SEM. EFA performed to measure the one dimension of the questions to be analyzed by SPSS 21 program. Accorging to this analysis, most of the KMO values are over %80. The Bartlett test results were meaningful for all questions. When we look at the eigenvalues, it is observed that 1. Eigenvalues are more than one and 2. Eigenvalues are less than 1. This results and the explained variance values and factor loads of the variables show that all variables are one factor.

Secondly, Confirmatory Factor Analysis (CFA) was performed in two steps using the SPSS Amos package program. In the first stage, there are measured ''Service Recovery Expectations' (SRE) and Service Recovery Strategies' (SRS)'' effects on ''Perceived Quality of Recovery (PQR)''. According to this, it can be said that there is a meaningful (p <0,01) and positive (374) relationship between PQR and SRS and a meaningful and positive (,322) relationship between SRE and PQR. Similarly, there was a meaningful correlation between SRE and SRS in the positive direction (, 116). It has been shown that SRS and SRE have a direct effect on PQR. Then, Chi-Square Goodness, Normed Fit Index, TLI, CFI and RMSEA were used for the compliance test. Accordingly, the results are meaningful (X2 / sd = 2,351) are found to be RMSEA =, 059, NFI =, 886, TLI =, 917, CFI =, 930. In the second stage of Confirmatory Factor Analysis, it has examined that the effects of PQR's on Satisfaction / Dissatisfaction (S/D) , Trust (T) , Loyalty (L) and Leaving (LE) and this results' tendency of Social Media Sharing (SMS). According to this, it can be said that there is meaningful and positive (,387) relationship between PQR and S, meaningful and positive (,734) relationship between PQR and T, and again meaningful and positive (,561) relationship between PQR and L. There is a meaningful and negative direction (-, 271) relationship between PQR and LE. On the other hand, there is no significant relationship between SMP and other variables. In the compliance tests for the Social Media Sharing, the fit indices of scale are meaningful (X2 / sd = 2,765). The fit index values were found to be RMSEA =, 067, NFI =, 894, TLI =, 917, CFI =, 929.

Lastly, Logistic Regression analysis was conducted to measure which emotions, thoughts are behaviorals shared in social media after recovery. The variables that "My bank is careful about the confidentiality of my transactions. " (P-value <0.05, Wald value> 1.96), ''It is reliable to my bank's words and promises.'' (P-value <0.05, Wald value> 1.96), "I have changed my bank after the mistake/not changed" (p-value <0.10, Wald Value> 1.96) and " I will work further with this bank in the future. " (P-value <0.10, Wald value> 1.96) are meaningful. Accordingly, customers share a part of their thoughts in the social media after recovery.

4.Conclussion and Discussion

In this study, it has been seen which by customer-focused recovery achieved protection of customer losses and created satisfied, loyal and trusted customer. Besides customers share their thoughts, attitudes and behaviors the low level in the social media.

As to, banks are required to develop compensation programs that they can use against possible errors, since the service industry is inevitable. Otherwise, many

customers will have to leave from business if mistakes are recovered as they want. For this reason, the recovery program must be flexible and contain customer expectations. Because there is no recovery recipe which accept in every case.

As a result, this study is thought to be an important source of guidance to the bank. In the academic field, it is different from other studies because of investigeting service recovery with all its dimensions and revealing the social media sharing.